

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS
*Do not use this form for proposals to drill or to re-enter an
Abandoned well. Use Form 3160-3 (APD) for such proposals.*

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

5. Lease Serial No.

NMSF - 078096

6. If Indian, Allottee or Tribe Name

7. If Unit or Agreement, Name and/or No.

8. Well Name and No.

Mudge LS 7N

9. API Well No.

30-045-32769

10. Field and Pool, or Exploratory Area

BASIN DAKOTA & BLANCO MESAVERDE

11. County or Parish, State

SAN JUAN, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well



Oil Well



Gas Well



Other

2. Name of Operator

BP AMERICA PRODUCTION COMPANY

3a. Address

PO BOX 3092 HOUSTON, TX 77253

3b. Phone No.

281-366-4081

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2040' FSL & 1945' FWL; SEC 23 T31N R11W NESW Mer NMP

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OR NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION



Notice of Intent



Subsequent Report



Final Abandonment Notice

TYPE OF ACTION



Acidize



Alter Casing



Casing Repair



Change Plans



Convert to Injection



Deepen



Fracture Treat



New Construction



Plug and Abandon



Plug Back



Production (Start/Resume)



Reclamation



Recomplete



Water Disposal



Water shut-Off



Well Integrity



Other SPUD & SET

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

9/3/05 3:30 TIH & SPUD 8 1/2" PILOT HOLE TO 100'. PICKED UP & DRILLED 13 1/2" HOLE TO TO 330'. TIH & LAND 9 5/8" 32.3#; H-40 SURFACE CSG @ 320'. TST TO 2300 PSI. TIH & CMT w/257 sxs SLURRY @ 15.8 PPG & DISPLACE w/22-1/2 bbls WTR. Full returns; 23 bbls to surface. TST BOPs & EQP TO 250/1500 PSI. TST CSG TO 750 PSI/30 MIN. TIH & DRILL 8 1/2" HOLE. TAG TOC @ 280'. DRILL CMT & CLEAN OUT RATHOLE. DRILL 330' - 2739'. TIH & LAND 7" 20#; J-55 CSG @ 2729'. TST CMT LINE TO 2500 PSI. TIH & CMT 25 sxs SCAVENGER CMT @ 10.3 ppg; 311 sxs LEAD CMT @ 11.7 ppg; & 65 sxs TAIL CMT @ 13.5 ppg. 24 bbls CMT TO SURFACE. PRE TST CSG TO 1500 PSI/30 MIN - OK. TIH & drill 6 1/4" hole 2739' - 4189'. DRILL w/AIR MIST 4189' - 5032'. WASH & REAM TO 5032' w/FULL RETURNS. DRILL 6 1/4" hole 5032' - 6487'. LOST CIRC; PMP 10 bbls; NO RETURNS. TUN TEMP SUR 2000' - 5000'. TIH & SET CMT RET @ 2662'. TST CMT RET TO 500 psi OK. PLEASE SEE NEXT PAGE.

14. I hereby certify that the foregoing is true and correct

Name (Printed/typed)

Cherry Hlava

Title **Regulatory Analyst**

Signature

Cherry Hlava

Date **10/10/2005**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or Certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

ACCEPTED FOR RECORD

OCT 20 2005

FARMINGTON FIELD OFFICE

BY *[Signature]*

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NMOC

Mudge LS 7N
30-045-32769
Spud & Set (page 2) Subsequent Report
10/10/2005

9/14/05 RU & PMP 20 bbls FRESH WTR; MIX & PMP 202 sxs 15.7 ppg CLS G NEAT CMT. DISP w/20 BFW.

9/15/05 DRL OUT CMT RET 2662' – 2664', FELL OUT NO CMT UNDER RET. TOP of CMT @2854'. DRILL CMT 2854' – 3951' FELL OUT OF CMT & LOST CIRC.

9/16/05 MIX & PMP 242 sxs 15.8 ppg CLS G CMT & DISP w/57 BFW. WOC.

9/17/05 TIH & TAG CMT @3798'. D/O CMT 3798' – 4606'. LOST 90% RETURNS. PMP 40 bbls MUD; WASH DN TO 4698; w/FULL RETURNS. WASH OUT BRIDGE @4762'.

9/18/05 MIX 40 bbls 20# GEL w/2 PP CEMNET. PMP 5 bbls WTR PRS UP TO 1200 PSI. UNABLE TO WASH BRIDGE @4810'. RU PMP 10 BBLs CEMNET w/2 PPB, 20 bbls w/4 PPB, 10 bbls w/2 PPB DISP w/38 bbls MUD. w/ +95% RETURNS. FELL 20' ON BACKSIDE.

9/19/05 LOAD HOLE w/160 bbls & FULL RETURNS FOR 20 MIN THEN RETURNS DN TO 25%. WASH DN 4779' – 5030' w/RETURNS 50% TO ZERO LOST 260 bbls. PMP 272 bbls W/ NO RETURNS. TIH SET RET @2697'. LOAD CSG & TST RET TO 500 PSI. OK. SPOT THROUGH RET – 200 sxs 13.5 PPG 50/50 CLS G / POZ w/2 PPB CEMNT, 1.5 lb/sx GLISIONTE, & 6 lb/sx PHENOSEAL DISP w/69 BFW.

9/20/05 CUT 155' OF DRLG LINE. TIH D/O CMT RET 2692' – 2694'. TIH & TAG CMT @3989'. D/O CMT 3989' – 4665 w/FULL RETURNS.

9/21/05 DRILL OUT CMT 4665' – 4747' LOST CIRC; WASH DN 4747' – 4814' w/NO RETURNS. WASH OUT BRIDGES 4814' – 4885'. TIH & SET RET @2634'. LOAD BACKSIDE & TEST RET TO 500 PSI. OK. MIX & PMP CMT PLUG THROUGH RET – 20 BWF, 360 sxs 15.8 PPG CLS G W/ 1% S-1, 1.5 PPB CEMNET, 6 lb/sx PHENOSEAL, 1.5 LB/SX GILSIONITE. DISP w/83 bbls FW - @70 bbl MAX PRS 500 BREAKING BACK TO 100 PSI. 6 TIMES @80 bbls DISP SD PRS 250 PSI. PMP 1 bbl PRS 260 SI. Shut DN. PMP LAST 2 bbls DISP w/MAX PRS 260 PSI. SD. RIG DN.

9/22/05 DRL OUT RET 2634' – 2636' – FELL FREE; TIH TAG BRIDGE @3509' – FELL THROUGH, TAG CMT 3714'. DRL OUT CMT 3714' – 5002'. FELL OUT OF CMT; ATTEMPT TO WASH / REAM DN 5002' – 5015' TIGHT HOLE. FILL w/FW & MIX MUD & LCM.

TIH & DRILL 6 ¼" PROD HOLE 6487' – 7112' TD ON 9/30/05.

9/30/05 TIH RUN 4 ½"; P-110; 11.6# PRODUCTION CSG TO 7109'. TIH & CMT w/200 sxs LITECRETE CMT @9.5 PPG w/2 lbs/bbl CEMNET, 210 sxs TAIL SLURRY @13 PPG & DISPLACE w/110 bbls WTR. BUMP PLUG w/1700 PSI. BLEED PSI & CHECK FLOATS – OK. LOST RETURNS w/ LAST 15 bbls DISPLACEMENT. TOP OF CEMENT @3040' OR HIGHER. ND CMT HEAD & LANDING JT. CMT RAT & MOUSE HOLES. JET PITS & ND BOPS. **RIG RELEASE 08:00 10/1/05**